DOCUMENT RESUME

ED 326 705 CE 056 545

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TITLE Let's Drum Up Some Business: Developing Entrepreneurship through the Retail Florist Industry.
PUB DATE Dec 90
NOTE 10p.
PUB TYPE Guides - Classroom Use - Materials (For Learner) (051)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Agricultural Education; *Business Administration; *Entrepreneurship; *Floriculture; Higher Education; Ornamental Horticulture Occupations; Self Employment; *Small Businesses
IDENTIFIERS *Florists

ABSTRACT

The retail florist industry is composed of many small businesses. A flower shop is unique as a retail outlet because it sells a highly perishable agricultural product that involves customized work requiring a high degree of product knowledge and skill. Qualifications of a successful florist include being a good businessperson, able to design, having enough capital, being a good buyer, being really interested in the business, having good interpersonal skills, knowing how to advertise, knowing how to train and handle employees, having experience, being a merchandiser, having a thorough knowledge of plants and flowers, and participating in civic affairs. A formal college education is highly desirable. Areas of study should include floriculture, floral design, and business management. The most common form of business ownership is proprietorship. Two other forms are partnership and corporation. Each form has advantages and disadvantages that the prospective florist must consider. Steps in setting up a flower shop include obtaining capital, formal training, discussion of options with a lawyer, location selection, purchase or lease of a store, application for tax number and licenses, selection of bookkeeper and accountant, interior work, purchase of supplies from a wholesaler, delivery arrangements, advertising, purchases, and customer solicitation. (YLB)

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LET'S DRUM UP SOME BUSINESS: DEVELOPING ENTREPRENEURSHIP THROUGH THE RETAIL FLORIST INDUSTRY

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December 1990

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LET'S DRUM UP SOME BUSINESS:

DEVELOPING ENTREPRENEURSHIP THROUGH

THE RETAIL FLORIST INDUSTRY

The retail florist industry is comprised of many small businesses, in contrast to the trend towards consolidation in other retail industries.

An estimated 41,000 flower shops dotted the United States' floral-market landscape in 1989. That's easily the largest number on record, more than 18 percent above the 34,700 shops counted in 1982. Shops with a payroll reached almost 29,000 in 1989, up 29 percent from 1982 (The Floral Index, Inc., 1990).

The florist business has changed considerably since the end of World War II. Major changes which have had a significant impact on retail florists include:

1. The increased occurrence of "Please Omit".
2. The growing number of small informal weddings.
3. The temporary furor arising from the claim - later proved to be false - that flowers could be dangerous to hospital patients.
4. The dramatic increase in demand for potted plants.
5. Diversification
6. More holidays
7. The increased involvement by non florist outlets with floral products.

A flower shop is unique as a retail outlet because it sells a highly perishable agricultural product which involves custom type work requiring a high degree of product knowledge and great skill. The services it offers are also more extensive and varied than those of most other retail businesses. Because flower shops are numerous, the field also requires many people well trained in business management.

Qualifications of a Retail Florist

A retail florist is one who sells flowers and designs floral arrangements. However, there is more to being a florist than just this. A retail florist must be skilled in designing, managing a business, buying, selling, providing services, and advising customers. There are, however, certain other qualifications which the florist should possess to be successful. The prospective florist should meet at least 75% of the 12 qualifications which follow:

Qualifications:

1. **Be a Good Businessperson.** Know how to run business and make a profit.
2. **The Ability to Design.** It is the design work going out to the customers which forms the foundation for the florist's reputation.

3. **Have Enough Capital.** Only enough money will be made during the first six to nine months in the business to cover expenses. The profits will not be realized until the second or third year.
4. **Be a Good Buyer.** Careful buying is necessary in order to achieve a fair profit from the business.
5. **Be Really Interested In the Business.** The florist must have the love for, and appreciation of flowers.
6. **Have the Ability to Meet People.** To be above average, the florist must be a good sales-person, not simply an order taker.
7. **Know How To Advertise.** Know how much to spend on advertising, when to advertise, what to say, and which media to use.
8. **Know How to Train and Handle Employees.** Trained employees will be an asset to the business. Satisfied employees will reduce turnover and the trouble and expense of finding new personnel.
9. **Have Experience.** The best advice anyone can give the prospective florist is get some experience and work for another florist for at least a year before going into business for yourself.
10. **Be a Merchandiser.** In today's economy, to get a fair share of the consumer's dollar, one must know how to merchandise the product.
11. **Have a Thorough Knowledge of Plants and Flowers.** Know how to take care of them and make them last longer in the shop, as well as in the customer's home.

12. **Participate In Civic Affairs.** It is very important to take an interest and an active part in community life.

TRAINING

Most retail florists of today were trained for the business by working in a flower shop for many years. However, as the small retail florist is not a specialist in one thing only, training is vital in many more operations than just floral designing.

A formal college education is not essential for the successful operation of a retail floral shop but it is highly desirable. A major in floriculture will give a background of fundamental knowledge in botany, chemistry, and physiology, as well as the growing, care, and keeping quality of cut flowers and potted plants.

Also, the rudiments of floral design and the management of a retail florist shop are essential. Courses in accounting, bookkeeping, salesmanship, psychology, business ethics, marketing, and merchandising provide a good foundation for the retail florist business. In addition, a session at one of

the design schools located throughout the country would be beneficial. These design schools are also a must for high school students who do not go to college or junior college but who want to become retail florists.

SOLE OWNERSHIP OR PARTNERSHIP

There are three forms of ownership for retail florist businesses. The most common form is that of individual ownership or proprietorship. The second one, in which quite a few businesses fall, is that of a partnership of two (or occasionally more) partners. The third category is that of a corporation; not too many retail florists are large enough to find it economically advantageous to incorporate.

Before making a decision on which type of ownership to use, the prospective florist must consider the advantages and disadvantages of each.

The advantages of proprietorship are as follows:

-Everything is in your hands as the owner

-Your own boss.

-Have full freedom of action

-Do not share projects

The disadvantages of proprietorship are as follows:

-Personally liable for all debts.
-Probably have limited personal assets restricting your borrowing power.
-Probably do not posses all the talents for selling, bookkeeping, and management, as well as designing.

The advantages of a partnership are as follows:

-The personal assets of the partner provide a broader base for obtaining capital.
-Two people might be a great success together where singly they might fail if the talents of one offset the deficiencies of the other.

The disadvantages of partnership are as follows:

-The death of a partner automatically dissolves the business
-Working together closely can result in disagreements, creating friction between the partners.

As a prospective retail florist, decide on the type of retail florist shop to operate and also on the form of ownership which will be most advantageous.

STEPS, ONE, TWO, THREE, IN SETTING UP

A FLOWER SHOP

1. Total cash, starting point, $45,000.00 to $55,000.00

2. Go to school, get formal training and experience.

3. Discuss options with a good lawyer.

4. Check locations for first zoning, and other activities.

5. Buy or lease a store for 2 years, have a lawyer check this carefully for hidden expenses, especially in shopping centers and/or mall locations.

6. Apply for a tax number, state, county and city licenses.

7. Find a good bookkeeper and accountant.

8. Interior work is next, repair, remodel, repaint, etc.

9. For store equipment, consider leasing everything, from counters, to shelves, to the cooler and beyond.

10. Contact a local wholesaler for supplies.

11. Investigate vehicles and/or contacted delivery service.

12. Plan out the advertising budget and promotions.

13. Buy perishables. Use caution and be conservative initially.

14. Now you OPEN, and go after local business, daily and weekday orders, professional accounts, promotional ideas, and maybe a few complimentary displays, but, with the business card for reference.

15. Be a member of a prominent wire service.

16. If, after a year, sufficient business justifies an incoming - outgoing service, then go for it. Computers will be worth considering when the business reaches a realistic figure.

The life of a retail florist is a good one and, for the owner, a rewarding one financially and personally. The product is one of the best liked products in the world, and most florists' efforts will result in bringing cheer and happiness to others as well as providing a good living. The opportunities for women in this field are excellent.

Reference

The Floral Index, Inc. (1990). Industry. Flowers &, January, volume II, number 1.